



A NEW HR FOR THE DIGITAL ENTERPRISE



The digital revolution has left nothing untouched, and continues to transform both business and life at a furious pace. As organizations face up to deep digital transformation of their structures, business models, processes and even customers, it is imperative that the HR function do the same in order to effectively manage employees who are also turning increasingly digital.

What does it mean to create a new HR for the digital enterprise, and how can organizations go about it successfully? Here is our point of view.

Digital transformation of HR is not about applying new technology to the existing processes to make them cheaper, faster or more productive; it is about rethinking roles, skill sets, and ways of working with the help of digital technologies. Changing the organization's end-to-end thinking on HR, and aligning its practices, processes and culture to SMACI (Social, Mobile, Analytics, Cloud and IoT), is as, if not more, important than adopting the latest tools and technologies.

That being the case, the following are the most important considerations on the road to digital transformation:

Ensuring total commitment to change

The old way of doing things has no place in truly digital human resource management. This means established practices and attitudes have to be dismantled and replaced with entirely new alternatives.

Here, a couple of illustrations may be useful to understand the extent to which things will change. In the past, when employees wanted to notify the organization of a change in address, they filled out a form and sent it to the HR department along with documentary proof. Someone in the department would scrutinize the paperwork, and if satisfied, would record the change in the relevant system. In the digital organization, employees have to access their saved locations on a GPS screen, pick out "home" and upload it on to the enterprise's system to effect the change. During employee onboarding, once a new recruit has a valid corporate identity, he or she can revalidate information through self service access, just like they would do to open an account on Amazon.

This may seem like a small thing, but it actually signifies a massive shift in the way the organization runs a frequently used HR process. That kind of change is never easy, more so when it requires employees to take responsibility for things that were previously in the HR domain.

Empowering employees to manage their own needs: Employee and manager empowerment is a key theme for the new HR. Collaboration tools help to publish important information – company policies, holiday calendars for different offices, special notifications etc. – as well as enable sharing of knowledge and experiences, or resolution of vexing business problems in real time. Features such as search, archiving and instant messaging make the experience as convenient and intuitive as using a search engine or social network. When employees find that they no longer

have to depend on the HR department to resolve a problem they can easily fix on their own, they will start to welcome the change.

Delivering a consistent experience across the organization's HR processes:

Today, employees' expectations are shaped by their experiences as digital consumers. They benchmark every experience, regardless of context, against the best they know: if they enjoy omni-channel convenience while shopping, they demand the same from every other consumption experience. The new HR allows seamless experience on devices, as well as enables consumers to operate seamlessly and be digital from end to end. The latest digital technologies, such as artificial intelligence and robotic process automation, can play a huge role in elevating the quality of experience, but should be coupled with skill refactoring and efforts to reduce uncertainty about employees' future.

Innovating constantly to stay relevant

In the digital paradigm, organizations must rethink, reinvent, and reimagine every aspect of the business to stay alive. The new HR requires relentless pursuit of innovation and optimization to keep it successful. Resources that are saved through this pursuit have to be ploughed back into further innovation to ensure a better run domain. The vision of senior leaders about accepting innovative practices is important for success. One organization was able to introduce a new process for succession planning as it made the organization structures available to the line managers with simulation capabilities.

Of course, there will be obstacles on HR's road to digital transformation. The biggest one is getting the organization to stick to its commitment to change. All too often, enterprises fall back on old (and comfortable) ways. They need to avoid that trap, and push whatever boundaries need to be pushed, to make the transition to digital.

Cost reduction makes for an appealing business case, but the focus on employee cost needs to be balanced with a vision of how future services would work. Making HR a part of the organization's digital core will take some capital expenditure upfront. The enterprise has to commit the necessary investment, which will eventually pay for itself by enhancing employee productivity, engagement and performance.

Regulatory compliance is much better supported through digital HR where the availability of information, output mode and connectivity to the databases of regulatory authorities increase transparency and leave little room for missing deadlines. They also allow a 360-degree view of a globally spread workforce, a feature of most large organizations today.

To recognize the need for a HR being digital is half the problem solved. The other half can be won as well by having the right partner in the journey of digitizing as well in the introduction of change and it's sustenance.



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